



U.S. Consulate General Florence, Italy

May 2020

MAKING A DIFFERENCE

In April 2020, OIG was notified that a grantee organization was ordered to return \$351,188 from a grant and \$893,784 from a co-operative agreement for failing to fulfill its obligation to organize and promote youth football throughout multiple provinces in Afghanistan. After receiving a referral from the grants officer and OIG’s Office of Audits, OIG special agents determined the organization had been submitting false claims to the Department and trying to conceal its actions. The organization did not organize tournaments, purchase equipment, or provide training as promised but continued to invoice the Department as if the services were provided. In addition, the Department de-obligated \$392,536 from the grant and suspended three individuals and the grantee organization.

In April 2020, the Department issued a letter of admonishment to a Financial Management Officer (FMO) for showing poor judgment in the performance of official duties. OIG special agents determined that from November 2013 to June 2015, the employee approved funding in the amount of \$28,569 for 11 purchase orders to a local company that employed the FMO’s spouse, creating the appearance of a conflict of interest.

In April 2020, a contract company reimbursed the Department \$371,327 for overbilling. OIG special agents, in close coordination with the contracting officer, determined that a sub-contractor and two of its vendors overcharged the Department for contractor-related airline travel from December 2014 through February 2019.

In April 2020, a locally employed staff member was terminated after stealing funds that were meant to support the Embassy’s social security organization. OIG and Diplomatic Security special agents learned that the former voucher examiner accepted cash deposits from the Embassy employee recreation association and, instead of depositing the funds, kept the money to pay bills.

In April 2020, a former Department contractor was ordered to pay \$629 as a result of unauthorized use and mishandling of Department equipment. OIG special agents concluded the

RECOMMENDATIONS STATUS

as of April 30, 2020

565*

Open Recommendations

45*

Recommendations Closed During April

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* Classified recommendations are not included in these totals because of delays in preparing classified materials due to OIG’s effort to maximize telework and social distancing during the COVID-19 pandemic.

contractor knowingly received and retained, without authorization, an Apple iPad and iPhone. In addition to failing to enter the equipment into the Department’s inventory system, the contractor made misrepresentations and concealed material facts from OIG. In November 2019, the contractor was debarred for 3 years.

In response to a 2019 report, *Inspection of Embassy Bogota, Columbia*, Embassy Bogota provided documentation showing that two pending Suspense Deposit Abroad transactions were cleared, resulting in \$39,957 being put to better use. In addition, the embassy provided documentation that one Information Management Officer position was reprogrammed to the International Cooperative Administrative Support Services, resulting in \$81,331 being put to better use.

In response to a 2018 report, *Inspection of Embassy Riyadh, Saudi Arabia*, Embassy Riyadh provided documentation that it has issued a management policy on the homeward passage annual benefit. The first payout pursuant to this policy was in January 2020. This new policy will lead to \$361,773 being put to better use over 3 years.

In response to a 2017 report, *Inspection of Embassy Tel Aviv, Israel*, Embassy Tel Aviv provided documentation

showing the sale and transfer of the underused Hassadot property to a buyer, resulting in \$6,508,343 being put to better use.

In response to recommendations in a 2020 report, *Audit of Mission Turkey and Embassy Beirut Fuel Oversight and Payment Process*, U.S. Mission Turkey implemented corrective actions at U.S. Embassy Ankara and U.S. Consulates General Istanbul and Adana to improve the oversight of fuel contractors and ensure compliance with contract terms. Specifically, U.S. Mission Turkey developed and implemented policies and procedures for the following: appointing contracting officer's representatives to oversee fuel contracts, complying with Federal Acquisition Regulation and other Federal requirements and Department guidance for accepting fuel from its contractors, and implementing quality surveillance assurance plans to ensure that contractual requirements have been met. As a result, U.S. Mission Turkey oversight officials can verify the quality and quantity of fuel it receives and that prices comply with contractual terms.

In response to recommendations in a 2019 report, *Audit of Monitoring and Evaluating Department of State Foreign Assistance in the Philippines*, the Bureau of International Narcotics and Law Enforcement Affairs (INL) implemented corrective actions. These actions included amending its Interagency Agreements (IAA) with the U.S. Coast Guard (USCG) to support Philippines Coast Guard Maritime Law Enforcement Capability Development and the Department of Justice (DOJ) to support Child Protection Compact—Improving the Government of the Philippines' Responses to Online Sexual Exploitation of Children and Child Labor Trafficking. As a result of these actions, INL has been able to (1) better tailor performance measures to USCG IAA objectives and verify that funds are “expended only on activities, services, or materials that contribute to meeting project objectives” and (2) ensure that the DOJ is using Bureau of Counterterrorism and Countering Violent Extremism funds consistently with the terms and conditions of the IAA and Federal appropriations law.

NEW WORK STARTED

- Audit of the Department of State's Risk Assessments and Monitoring of Voluntary Contributions to Public International Organizations
- Audit of Department of State Compliance with the Geospatial Data Act of 2018
- Audit of the U.S. Agency for Global Media FY 2020 Financial Statements
- Audit of the Department of State FY 2020 Financial Statements
- Inspection of the Office of Global Women's Issues (S/GWI)
- Review of the Performance of Information Systems Security Officer Responsibilities at Overseas Posts
- Review of the Department's Foreign Assistance Tracking and Reporting
- Inspection of Bureau of Diplomatic Security Special Program for Embassy Augmentation and Response
- Inspection of the U.S. Agency for Global Media's Journalistic Standards and Principles

REPORTS ISSUED

- *Classified Inspection of Embassy London and Constituent Posts, United Kingdom (ISP-S-20-12)**
- *Management Letter Related to the Audit of the U.S. Department of State 2019 Financial Statements (AUD-FM-20-27)*
- *Inspection of Embassy Vilnius, Lithuania (ISP-I-20-29)*
- *Management Assistance Report: Legal Determination Concerning Department of State Non-Acquisition Interagency Agreements Is Needed (AUD-MERO-20-24)*
- *Audit of Global Engagement Center Federal Assistance Award Management and Monitoring (AUD-MERO-20-26)*
- *Management Assistance Report: The Bureau of African Affairs Should Improve Performance Work Statements and Increase Subject Matter Expertise for Trans-Sahara Counterterrorism Partnership Projects (AUD-MERO-20-29)*

*Report is classified or Sensitive But Unclassified



The Office of Inspector General conducts independent oversight of the Department of State and the U.S. Agency for Global Media on behalf of American taxpayers to:

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- Prevent and detect fraud, waste, and abuse.
- Identify vulnerabilities and recommend constructive solutions.

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